

□ FACULTÉ DE DROIT, D'ÉCONOMIE ET DE FINANCE

Bâtiment Weicker
4, rue Alphonse Weicker
L-2721 Luxembourg
www.uni.lu

.....

Date of the Seminar:

Monday 3 December 2012
From 15h00 until 18h00

Place of the Seminar:

University of Luxembourg
Bâtiment Weicker
Room B 001 (Ground Floor)
4, rue Alphonse Weicker
L-2721 Luxembourg

Language:

English

Registrations:

- Registration is free.
- Seats are limited.
- by email only at fdef-colloques@uni.lu
(Last name, first name, name of institution)

Information:

Contact person:
Tel:
Email:

Nadja Risch
+352 46 66 44 6619
fdef-colloques@uni.lu



□ FACULTÉ DE DROIT, D'ÉCONOMIE ET DE FINANCE

The ATOZ Chair for European and
International Taxation
presents

a seminar on

the Commission's Proposal for a

Financial Transaction Tax

By

Agnès Boulanger, Société Générale

Rüdiger Jung, ABBL

Alexander Rust, University of Luxembourg

John Vella, University of Oxford

Moderator: *Alexander Rust*



Monday, 3 December 2012
15h00 until 18h00

PROGRAMME

- 15h00** **Welcome Address and Illustration of the Commission Proposal**
- *Prof. Dr. Alexander Rust, LL.M. (NYU)*, ATOZ Chair for European and International Taxation, University of Luxembourg
- 15h30** **Critical Analysis of the Policy Objectives of the FTT Proposal**
- *Dr. John Vella, LL.M. (Cantab)*, Senior Research Fellow, Oxford University Centre for Business Taxation
- 16h00** **Questions and Answers**
- 16h15** **Coffee Break**
- 16h45** **The French Experience with an FTT**
- *Agnès Boulanger*, Société Générale, Chairwoman of the FTT Workgroup at EBF
- 17h15** **Implications of the FTT for Luxembourg**
- *Rüdiger Jung*, Member of the Management Board of The Luxembourg Banker's Association (Legal & Tax)
- 17h45** **Questions and Answers**

CONTENT

In September 2011, the European Commission presented a proposal for a Financial Transaction Tax (FTT). According to its estimates, the FTT will raise an additional annual revenue of 57 billion Euros. The proposal's other objectives include reducing high frequency trading (by making it more difficult and costly) and recouping some of the money spent to rescue banks in the last few years.

Bond and share purchases are to be taxed at a rate of 0.1% of the consideration paid, derivatives at a rate of 0.01% of their nominal amount. To discourage a mass exodus of financial transactions out of the European Union, the FTT is to be levied whenever an EU resident makes a financial transaction irrespective of where it takes place. Non-EU institutions involved in such a financial transaction are to be subject to the FTT as well.

Some EU Member States ardently oppose the introduction of an FTT as they are afraid their financial centers will suffer as a result; during the last several months, it has become clear that an EU-wide FTT is not realistic in the near future. However, other Member States fervently support the FTT's implementation. France, for example, already introduced its own FTT in August 2012. In response to this division among the Member States, the Commission just proposed, on 23 October 2012, an FTT through enhanced cooperation. Thus, if at least nine Member States agree, they can implement the FTT amongst themselves, with other Member States following later if they so choose.

This seminar will explain the proposed FTT and its mechanisms and analyze whether the FTT's policy goals can actually be achieved through the proposed directive. The seminar will also explore the differences between the French FTT and the Commission's proposal and present some initial experiences with the FTT. Finally, the seminar will reflect on the effects Luxembourg financial institutions and funds can expect to endure if an FTT is introduced in Luxembourg, as well as provide a brief look into the potential consequences Luxembourg may face if surrounded by countries implementing an FTT.